GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2650
ANSWERED ON:09.12.2005
SECOND GENERATION REFORMS AND SENIOR CITIZENS
Purandeswari Smt. Daggubati

Will the Minister of FINANCE be pleased to state:

(a) whether the Government is bringing forward a comprehensive law to usher in the second generation of reforms;

(b) if so, the details thereof and by when the proposed legislation is likely to be introduced;

(c) whether the Government is aware that a low interest regime all-round combined with the stringent provision of special income tax is proving difficult for the pensioners, particularly senior citizens, to garner wherewithals for their very subsistence; and

(d) if so, what measures likely to be brought forward for their relief and sustenance?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a) & (b): Reforms is an on going process and necessary measures in this regard are taken from time to time as and when considered necessary.

(c) & (d): The provisions of Income-tax Act, as applicable to senior citizens, are not stringent. Senior citizens have been provided a basic exemption limit of Rs.1,85,000/- by the Finance Act, 2005. Further, they also have the option of availing deduction of Rs.1,00,000/- from their income by investing in the various saving schemes specified under section 80C of the Income-tax Act, 1961.